



## NEWS RELEASE



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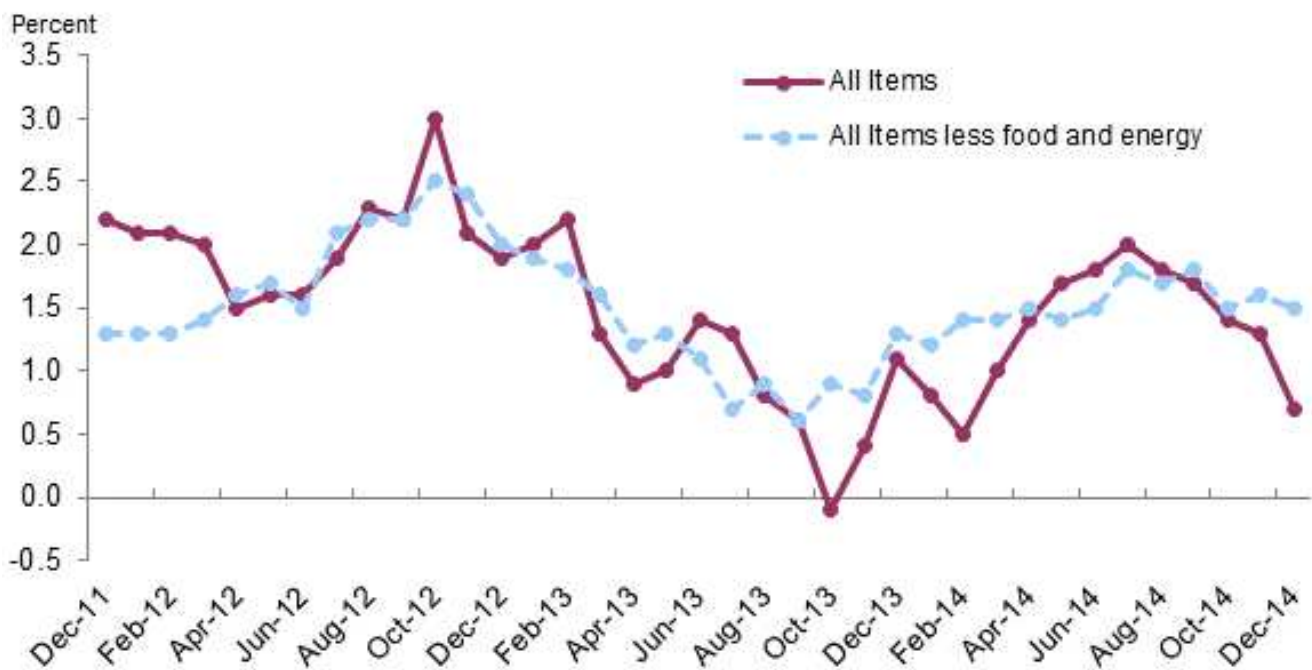
### **Consumer Price Index, Los Angeles area – December 2014**

**Area prices were down 0.5 percent over the past month, up 0.7 percent from a year ago**

Prices in the Los Angeles area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), decreased 0.5 percent in December, the U.S. Bureau of Labor Statistics reported today. (See [table A.](#)) Regional Commissioner Richard J. Holden noted that the December decrease was influenced by lower prices for gasoline and apparel. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect seasonal influences.)

Over the last 12 months, the CPI-U advanced 0.7 percent. (See [chart 1.](#)) Energy prices fell 12.9 percent, largely the result of a decrease in the price of gasoline. The index for all items less food and energy rose 1.5 percent since December 2013.

**Chart 1. Over-the-year percent change in CPI-U, Los Angeles, December 2011–December 2014**



Source: U.S. Bureau of Labor Statistics.

### **Food**

Food prices inched up 0.2 percent for the month of December. (See [table 1.](#)) Prices for food at home advanced 0.3 percent, while prices for food away from home were unchanged for the same period.

Over the year, food prices increased 3.8 percent. Prices for food at home increased 4.1 percent since a year ago, and prices for food away from home advanced 3.3 percent.

### **Energy**

The energy index decreased 6.2 percent over the month. The decrease was mainly due to lower prices for gasoline (-11.4 percent). Prices for electricity were unchanged, while prices for natural gas service advanced 6.0 percent in December.

Energy prices fell 12.9 percent over the year, largely due to lower prices for gasoline (-22.5 percent). Prices paid for electricity advanced 1.0 percent, and prices for natural gas service jumped 12.1 percent during the past year.

### **All items less food and energy**

The index for all items less food and energy inched down 0.1 percent in December. Lower prices for apparel (-3.0 percent) and household furnishings and operations (-1.2 percent) were partially offset by higher prices for medical care (0.8 percent) and shelter (0.2 percent).

Over the year, the index for all items less food and energy rose 1.5 percent. Components contributing to the increase included shelter (3.0 percent) and medical care (2.5 percent). Partly offsetting the increases were price declines in household furnishings and operations (-3.2 percent) and recreation (-1.7 percent).

**Table A. Los Angeles-Riverside-Orange County CPI-U monthly and annual percent changes (not seasonally adjusted)**

Month	2009		2010		2011		2012		2013		2014	
	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual
January.....	0.5	-0.1	0.4	1.8	0.9	1.8	0.8	2.1	0.8	2.0	0.5	0.8
February .....	0.3	0.0	0.0	1.4	0.5	2.3	0.5	2.1	0.7	2.2	0.5	0.5
March.....	0.0	-1.0	0.4	1.9	1.1	3.0	1.0	2.0	0.1	1.3	0.6	1.0
April .....	0.1	-1.3	0.2	1.9	0.5	3.3	0.0	1.5	-0.4	0.9	0.0	1.4
May.....	0.4	-1.8	0.2	1.8	0.0	3.1	0.1	1.6	0.1	1.0	0.4	1.7
June.....	0.6	-2.2	-0.2	0.9	-0.4	2.9	-0.4	1.6	-0.1	1.4	0.1	1.8
July .....	0.0	-2.6	0.1	0.9	-0.4	2.4	-0.1	1.9	-0.1	1.3	0.1	2.0
August .....	0.2	-1.7	0.2	0.8	0.2	2.4	0.6	2.3	0.1	0.8	-0.1	1.8
September.....	0.3	-1.0	-0.1	0.4	0.5	3.1	0.4	2.2	0.2	0.6	0.0	1.7
October.....	0.0	-0.4	0.3	0.7	0.0	2.8	0.8	3.0	0.1	-0.1	-0.1	1.4
November .....	-0.4	0.9	-0.4	0.7	-0.1	3.0	-1.0	2.1	-0.5	0.4	-0.7	1.3
December.....	-0.3	1.8	0.3	1.3	-0.5	2.2	-0.7	1.9	0.0	1.1	-0.5	0.7

### CPI-W

In December, the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) was 232.330, down 0.7 percent from November. The CPI-W increased 0.3 percent over the year.

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**The January 2015 Consumer Price Index for the Los Angeles-Riverside-Orange County is scheduled to be released on February 26, 2015.**

### Technical Note

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 4,000 housing units and approximately 26,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at [www.bls.gov/cpi](http://www.bls.gov/cpi) and the *BLS Handbook of Methods, Chapter 17, The Consumer Price Index*, available on the Internet at [www.bls.gov/opub/hom/homch17\\_a.htm](http://www.bls.gov/opub/hom/homch17_a.htm).

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. NOTE: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.

The Los Angeles-Riverside-Orange County, CA. metropolitan area covered in this release is comprised of Los Angeles, Orange, Riverside, San Bernardino, and Ventura Counties in the State of California.

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**Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Los Angeles-Riverside-Orange County, CA (1982-84=100 unless otherwise noted)**

Item and Group	Indexes			Percent change from-		
	Oct. 2014	Nov. 2014	Dec. 2014	Dec. 2013	Oct. 2014	Nov. 2014
<b>Expenditure category</b>						
All items .....	243.341	241.753	240.475	0.7	-1.2	-0.5
All items (1967=100).....	718.938	714.245	710.470	-	-	-
Food and beverages .....	247.050	247.926	248.373	3.7	0.5	0.2
Food .....	247.370	248.145	248.592	3.8	0.5	0.2
Food at home.....	258.233	258.307	259.048	4.1	0.3	0.3
Food away from home .....	230.089	231.745	231.812	3.3	0.7	0.0
Alcoholic beverages .....	228.320	230.363	230.784	2.8	1.1	0.2
Housing .....	262.764	262.727	263.089	2.5	0.1	0.1
Shelter .....	295.041	295.807	296.369	3.0	0.5	0.2
Rent of primary residence <sup>(1)</sup> .....	308.258	309.611	310.326	3.5	0.7	0.2
Owners' equiv. rent of residences <sup>(1) (2)</sup> .....	307.264	308.348	308.752	2.7	0.5	0.1
Owners' equiv. rent of primary residence <sup>(1) (2)</sup> .....	307.260	308.346	308.746	2.7	0.5	0.1
Fuels and utilities.....	304.815	300.072	303.089	4.7	-0.6	1.0
Household energy.....	277.081	269.234	273.371	3.7	-1.3	1.5
Energy services <sup>(1)</sup> .....	275.668	267.786	272.074	3.8	-1.3	1.6
Electricity <sup>(1)</sup> .....	314.871	314.900	314.900	1.0	0.0	0.0
Utility (piped) gas service <sup>(1)</sup> .....	231.113	208.097	220.590	12.1	-4.6	6.0
Household furnishings and operations .....	117.421	116.528	115.178	-3.2	-1.9	-1.2
Apparel.....	114.802	110.284	106.951	0.1	-6.8	-3.0
Transportation .....	205.057	197.339	189.984	-7.8	-7.4	-3.7
Private transportation .....	199.106	191.453	184.663	-8.0	-7.3	-3.5
Motor fuel.....	273.641	247.502	219.410	-22.4	-19.8	-11.4
Gasoline (all types) .....	267.645	241.999	214.466	-22.5	-19.9	-11.4
Gasoline, unleaded regular <sup>(3)</sup> .....	268.856	242.853	214.765	-22.7	-20.1	-11.6
Gasoline, unleaded midgrade <sup>(3) (4)</sup> .....	254.537	231.105	206.660	-21.0	-18.8	-10.6
Gasoline, unleaded premium <sup>(3)</sup> .....	252.391	229.091	204.481	-21.8	-19.0	-10.7
Medical care.....	415.879	421.072	424.437	2.5	2.1	0.8
Recreation <sup>(5)</sup> .....	104.948	103.032	102.267	-1.7	-2.6	-0.7
Education and communication <sup>(5)</sup> .....	145.833	145.998	146.118	1.1	0.2	0.1
Other goods and services .....	379.760	381.349	382.251	2.0	0.7	0.2
<b>Commodity and service group</b>						
All items .....	243.341	241.753	240.475	0.7	-1.2	-0.5
Commodities .....	179.051	175.997	173.170	-2.1	-3.3	-1.6
Commodities less food & beverages.....	142.457	137.852	133.745	-6.2	-6.1	-3.0
Nondurables less food & beverages.....	187.823	180.289	172.279	-7.7	-8.3	-4.4

Note: See footnotes at end of table.

**Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Los Angeles-Riverside-Orange County, CA (1982-84=100 unless otherwise noted) - Continued**

Item and Group	Indexes			Percent change from-		
	Oct. 2014	Nov. 2014	Dec. 2014	Dec. 2013	Oct. 2014	Nov. 2014
Durables .....	98.197	96.392	95.992	-3.7	-2.2	-0.4
Services .....	299.864	299.757	300.033	2.4	0.1	0.1
<b>Special aggregate indexes</b>						
All items less medical care .....	235.586	233.785	232.363	0.6	-1.4	-0.6
All items less shelter .....	220.815	218.208	216.134	-0.6	-2.1	-1.0
Commodities less food .....	146.365	141.936	137.941	-5.8	-5.8	-2.8
Nondurables .....	218.894	215.235	211.115	-1.6	-3.6	-1.9
Nondurables less food .....	192.310	185.311	177.759	-6.9	-7.6	-4.1
Services less rent of shelter <sup>(2)</sup> .....	315.395	313.990	313.853	1.7	-0.5	0.0
Services less medical care services .....	289.266	288.963	289.222	2.4	0.0	0.1
Energy .....	276.063	256.803	240.905	-12.9	-12.7	-6.2
All items less energy .....	242.845	242.528	242.302	1.9	-0.2	-0.1
All items less food and energy .....	242.360	241.842	241.491	1.5	-0.4	-0.1

<sup>(1)</sup> This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

<sup>(2)</sup> Index is on a December 1982=100 base.

<sup>(3)</sup> Special index based on a substantially smaller sample.

<sup>(4)</sup> Indexes on a December 1993=100 base.

<sup>(5)</sup> Indexes on a December 1997=100 base.

- Data not available

NOTE: Index applies to a month as a whole, not to any specific date.